AMENDED IN ASSEMBLY APRIL 1, 2002

CALIFORNIA LEGISLATURE-2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 2077

Introduced by Assembly Member Koretz

February 19, 2002

An act to add Section 66903.7 79211 to the Education Code, relating to nursing education, *and making an appropriation therefor*.

LEGISLATIVE COUNSEL'S DIGEST

AB 2077, as amended, Koretz. Nursing: education resources.

Existing law requires the board of governors of the California Community Colleges to appoint a chief executive officer, to be known as the Chancellor of the California Community Colleges, who is required to execute the duties and responsibilities delegated to him or her by the board. State funding of community college districts is allocated through the board of governors, based upon a district's full-time equivalent students (FTES). Existing law requires the office of the chancellor to award grants to community college districts for the purpose of developing curricula and pilot programs that provide training to licensed nurses.

This bill would establish the Community College Nursing Education Fund to be administered by the chancellor on behalf of the board of governors, to make additional allocations per nursing student, as defined, to eligible community college districts, as defined, that are beyond the FTES allocation for students that are not nursing students.

This bill would make an appropriation from the General Fund of \$125,000 for the 2002–03 fiscal year to be distributed based on an eligible district's average daily attendance of nursing students. To the

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extent the funds appropriated by this bill are allocated to a community college district, as defined by existing law for purposes of Section 8 of Article XVI of the California Constitution, those funds may be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

Existing law provides for the California Postsecondary Education Commission which has statewide postsecondary education planning and coordinating agency duties and responsibilities.

This bill would declare the Legislature's intent to identify ways to increase the number of nursing personnel by providing more opportunities and financial resources to educate and train nurses at the community college and state university levels.

Vote: majority. Appropriation: no yes. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
- 3 (a) California is experiencing a severe nursing shortage that 4 threatens the public health and the stability of the health care 5 industry.
 - (b) California has the lowest ratio of working registered nurses per 100,000 population of any state in the country and this shortage is expected to worsen in the coming years.
 - (c) Institutions of higher education are having difficulty meeting the demand for nurses with the workforce they are currently able to educate and train in their nursing programs.
 - (d) Many nursing programs are *severely* impacted and turn away qualified applicants due to a lack of available space.
 - (e) Because there is a financial disincentive to doing so, community colleges make a major financial commitment to provide a nursing program. This financial disincentive results from the fact that community colleges receive funds for programs based
- 18 on full-time equivalent students (FTES), and receive the same
- 19 FTES funding for a large liberal arts class as is received for a
- 20 nursing class, that has a lower student-to-instructor ratio.

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(f) Financial incentives must be provided to California Community Colleges and state colleges to retain and expand their nursing clinical education programs.

(f)

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- (g) In order to successfully address the nursing shortage, the Legislature should promote and support community college, baccalaureate and health service agency initiatives to recruit and educate individuals as baccalaureate prepared registered nurses.
- 9 SEC. 2. Section 66903.7 is added to the Education Code, to 10 read:
 - 66903.7. It is the intent of the Legislature to identify ways to
 - (h) It is the intent of the Legislature to implement a long-term strategy to increase the number of nursing personnel available to work in California's hospitals and nursing homes by providing more opportunities and financial resources to educate and train nurses at the community college level -and state university level.
 - SEC. 2. Section 79211 is added to the Education Code, to read:
 - 79211. (a) It is the intent of the Legislature that the California Community Colleges shall annually receive an additional allotment of funding to provide an additional allocation per nursing student that is beyond the full-time equivalent student (FTES) allocation for students that are not nursing students. For purposes of this section, "nursing student" means a student enrolled in an Associated Degree program in an approved school of nursing as defined in Section 2786 of the Business and Professions Code.
 - (b) There is hereby established in the State Treasury the Community College Nursing Education Fund, to be administered by the Chancellor of the California Community Colleges on behalf of the Board of Governors of the California Community Colleges, for the purposes set forth in subdivision (a). Upon appropriation by the Legislature, the state funds deposited in the fund may be expended for those purposes set forth in subdivision (a). The board of governors may solicit direct contributions for deposit in the fund from various nonstate public and private sources. Notwithstanding Section 13340 of the Government Code, the money in the fund deposited from nonstate public and private sources, is hereby continuously appropriated, without regard to fiscal years, for the purposes set forth in subdivision (a).

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(c) The sum of one hundred twenty-five thousand dollars (\$125,000) is hereby appropriated from the General Fund to the Board of Governors of the California Community Colleges for the 2002–03 fiscal year, to be distributed based on an eligible district's FTESs that are nursing students. For purposes of this section, an "eligible district" means a community college district with an 6 approved school of nursing as defined in Section 2786 of the Business and Professions Code.

- (d) Not more than 5 percent of the fund may be used for administrative purposes by the chancellor and the board of governors.
- (e) Beginning with the 2003-04 fiscal year, and for each subsequent fiscal year, the chancellor on behalf of the board of governors, shall compute the additional costs of educating nursing students at the California Community Colleges, shall request this sum for inclusion in the annual Budget Act as an appropriation to the Community College Nursing Education Fund, and shall determine a formula, based on the costs of nursing education programs, to distribute funds from the Community College Nursing Education Fund, to eligible districts.
- SEC. 3. For the purpose of making the computations required by Section 8 of Article XVI of the California Constitution, to the extent that the funds appropriated by this section are allocated to community college districts, they shall be deemed to be "General Fund revenues appropriated for community college districts," as defined in subdivision (d) of Section 41202 for the fiscal year in which they are allocated, and be included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for that fiscal year.